

THE BUSINESS RESIDUE COALITION

April 21, 2015

The Honorable Orrin Hatch
United States Senate
104 Hart Senate Office Building
Washington, D.C., 20510

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, D.C., 20510

The Honorable Paul Ryan
1233 Longworth House Office Building
United States House of Representatives
Washington, D.C., 20515

The Honorable Sander Levin
1236 Longworth House Office Building
United States House of Representatives
Washington, D.C., 20515

Dear Chairmen Hatch and Ryan, and Ranking Members Wyden and Levin -

On behalf of the Business Residue Coalition, representing millions of employees, we wish to thank you for your work on the *Trade Facilitation and Trade Enforcement Act of 2015* (Customs Reauthorization) and encourage swift Committee passage this week and floor passage shortly thereafter. Specifically, this package will help streamline trade and harmonize transportation of U.S. commerce across our allied Northern and Southern borders with respect to the treatment of residue.

Currently, freight containers returning to the U.S. as Instruments of International Traffic (IITs) pass through without customs manifests and prior entry notifications because the *de minimis* amounts of residual matter left inside have no commercial value. If the shipper intends to use the IIT to transport the same commodity, it is directly refilled. If the IIT is going to be used to transport a different commodity, it will be cleaned in the U.S. and loaded with a new product.

Passage of Customs Reauthorization will codify these longstanding commercial practices into law and prohibit the unnecessary production of a new manifest and the payment of duty for the re-entry of small amounts of U.S. goods with no commercial value. Without this legislative provision, American companies will face increased costs in training transporters on data entry procedures and policies, and the loss of U.S. jobs to foreign IIT cleaning facilities. If the U.S. Customs and Border Protection Agency (CBP) forces IITs with *de minimis* residue to be subject to entry filing requirements, the additional costs incurred by importers/exporters are estimated to be \$17,451,330 for truck and \$9,582,735 for rail entries just from the Northern border alone.

Therefore, during the bicameral mark-ups this week, we encourage the Committees to report Customs Reauthorization legislation to the floor for prompt passage of this important legislation.

Thank you very much for your attention to these issues and your tireless work on this matter.

Sincerely,

The Business Residue Coalition

Alliance for Innovation and Infrastructure, American Association of Exporters & Importers, American Chemistry Council, American Petroleum Institute, American Trucking Associations, Association of Washington Businesses, Canadian Trucking Alliance, Dangerous Goods Advisory Council, I.E. Canada, Institute of Makers of Explosives, Michigan Manufacturers Association, National Association of Chemical Distributors, National Association of Manufacturers, National Grain and Feed Association, National Industrial Transportation League, National Tank Truck Carriers, Pennsylvania Chamber of Commerce, The Fertilizer Institute, The Reusable Industrial Packaging Association, and United States Council of International Business

cc: All Members of Congress